GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:2518
ANSWERED ON:17.03.2008
LEVYING OF SERVICE TAX
Nizamuddin Shri G.

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) the reasons for Levying Service Tax for Bharat Sanchar Nigam Limited (BSNL) Land Line and Broad Band subscribers in the country;

(b) whether the subscribers are already paying the price for their utilisation of the facilities;

(c) if so, the details thereof;

(d) whether there is any proposal to the Government to do away with the service tax;

(e) if so, the time by which it is likely to be implemented; and

(f) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) to (f) Sir, Service Tax is leviable on taxable services including telecommunication services specified under section 65 (105) read with section 66 of the Finance Act, 1994. Accordingly, telecommunication services provided by Bharat Sanchar Nigam Limited (BSNL) are leviable to service tax. At present, there is no proposal under the consideration of the Government to do away the levy of service tax on the said taxable services.